IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

| BIOVAIL LABORATORIES |) | 4 |
|----------------------------|---|---------------------|
| INTERNATIONAL SRL |) | |
| a corporation of Barbados, |) | |
| - |) | |
| Plaintiff, |) | C.A. No. 05-586-GMS |
| |) | C.A. No. 05-730-GMS |
| v. |) | C.A. No. 06-620-GMS |
| |) | CONSOLIDATED |
| ANDRX PHARMACEUTICALS, LLC |) | |
| and ANDRX CORPORATION |) | |
| |) | |
| Defendants. |) | |

DEFENDANTS' OPPOSITION TO PLAINTIFF'S MOTION FOR LEAVE TO FILE SUR-REPLY ON DEFENDANT'S MOTION TO FILE AMENDED ANSWER

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Dated: April 20, 2007 790526 / 30015

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ARGUMENT

As an initial matter, Biovail's motion for leave to file a sur-reply should be considered in the context engineered by Biovail. That is, Andrx followed the ordinary and prudent course of deposing the witnesses involved in prosecuting the patent before making the serious allegation of inequitable conduct. It was Biovail that refused to produce those witnesses until the end of fact discovery – a common strategic ploy by plaintiffs in Hatch Waxman Act cases to delay and to lay a foundation for later arguing that there simply is not enough time before trial, and trial must then be delayed. If Biovail is squeezed by the schedule, Biovail has only itself to blame. The Court should not reward, and Andrx should not have to suffer the consequences of, Biovail's refusal to produce these witnesses until the end of fact discovery.

Biovail offers only a thin excuse to attempt to justify a sur-reply – the baseless assertion that Andrx's expert evidence of inequitable conduct includes "at least nine new theories of inequitable conduct" that "were not included or remotely suggested in Andrx's proposed answer." Biovail Motion at 1.

The assertion is baseless, as a side-by-side comparison of the proposed amended answer and the expert evidence reveals. The expert reports provide exactly the kind of more detailed information the Court would expect in an expert report to support the five theories of inequitable conduct pleaded in the amended answer: "Misrepresentation Of Prior Art Formulations" at ¶¶ 27-33; "The False and Misleading 'Expert' Declaration" at ¶¶ 34-45; "Applicants Withheld Contrary Experimental Data" at ¶¶ 46-50; "Applicants Withheld Material Prior Art" at ¶¶ 51-57; and "Misrepresentations of Operability Of Alternative Pharmaceutical Formulations" at ¶¶ 58-63. The fact that Andrx's expert reports contain more information and supporting details than the amended answer as to the falsity of Biovail's statements to the PTO is entirely normal.

In any event, if Biovail feels confident that these "new" inequitable conduct theories will not be a part of the case, Biovail is certainly free not to have its experts respond, and to make an argument or motion at an appropriate later date. Likewise, if Biovail is sufficiently certain that Andrx's evidence does not support inequitable conduct allegations in the amended answer, Biovail is free not to respond and make an argument or motion at an appropriate later date.

At present, however, the only issue before the Court is whether the amended complaint should be allowed. Biovail still has not provided any authority to contradict the well-settled rule that it is entirely appropriate, and maybe even necessary, for an alleged infringer to do exactly what Andrx did in this case -i.e., take the depositions of people involved in the prosecution of a patent before alleging inequitable conduct. The fact that Biovail produced these witnesses in February 2007 instead of September 2006 (when Andrx first asked for them) does not change the legal analysis. Patentees cannot de facto insulate themselves from inequitable conduct simply by refusing to produce witnesses.

The rest of Biovail's sur-reply is a re-hash of arguments that Biovail made in its opposition brief, with a slight change in phraseology. Andrx addressed them in its reply brief, and sees no reason to waste the Court's time by repeating the points previously made

There is no basis for the sur-reply, but in any event, Andrx's motion to amend to add the inequitable conduct allegations should be granted.

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CERTIFICATE OF SERVICE

I, Kenneth L. Dorsney, hereby certify that on April 20, 2007, the attached document was hand-delivered on the following persons and was electronically filed with the Clerk of the Court using CM/ECF which will send notification of such filing(s) to the following and the document is available for viewing and downloading from CM/ECF.

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I hereby certify that on April 20, 2007, I have Electronically Mailed the documents to the following non-registered participants:

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